

VZCZCXRO2422
PP RUEHFK RUEHKSO RUEHNAG RUEHNH
DE RUEHKO #1296/01 1340056
ZNR UUUUU ZZH
P 130056Z MAY 08
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 4183
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/HQ USPACOM HONOLULU HI
RHHMHBA/COMPACFLT PEARL HARBOR HI
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//
RHMFIUU/USFJ //J5/JO21//
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA
RUAYJAA/CTF 72
RUEHNH/AMCONSUL NAHA 0134
RUEHFK/AMCONSUL FUKUOKA 7747
RUEHOK/AMCONSUL OSAKA KOBE 1427
RUEHNAG/AMCONSUL NAGOYA 6083
RUEHKSO/AMCONSUL SAPPORO 8339
RUEHBJ/AMEMBASSY BEIJING 3287
RUEHUL/AMEMBASSY SEOUL 9303
RUCNDT/USMISSION USUN NEW YORK 9766

UNCLAS SECTION 01 OF 10 TOKYO 001296

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 05/13/08

Index:

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's daily schedule (Nikkei)

G-8 Labor Ministerial:

- 4) G-8 labor ministers meeting in Niigata agree on need to balance environment and job expansion, seek better treatment of working poor (Nikkei)
- 5) Labor minister in G-8 meeting expresses concern about impact of subprime loan mess and high oil prices on jobs (Yomiuri)
- 6) Senior MOFA official says that Japan's evaluation of nuclear documents released to U.S. official by DPRK will depend on their contents (Yomiuri)
- 7) "Fukuda vision" for Japan's greenhouse gas reduction already myopic, with postponement of setting a mid-term reduction target (Nikkei)
- 8) Cabinet debates establishment of a consumer affairs agency, as advocated by Prime Minister Fukuda (Nikkei)

Political agenda:

- 9) Road-related legislation to be re-voted and adopted by the Lower House today (Asahi)
- 10) Talks between ruling and opposition camps on road-revenue issue difficult to restart (Yomiuri)
- 11) Fukuda exhorts junior lawmakers to support his plan to turn dedicated gas tax into general revenues (Nikkei)

12) Democratic Party of Japan is already readying its campaign platform for the next Lower House election (Nikkei)
13) DPJ's Kan is not ruling out an Upper House censure motion against the prime minister if he does not scrap the system that charges the elderly for medical care (Yomiuri)
14) Where has the LDP's "control tower" disappeared to? (Sankei)
15) Cooperation with former postal rebel Hiranuma, aiming at creation of new anti-LDP party, is being welcomed by DPJ Secretary General Hatoyama (Yomiuri)

Articles:

1) TOP HEADLINES

Asahi, Mainichi, Yomiuri, Nikkei, Sankei, Tokyo Shimbun, and Akahata:

Quake measuring 7.8 in Sichuan kills more than 8,700 in China; Over 10,000 injured; 900 middle school students trapped under rubble

2) EDITORIALS

Asahi:

- (1) Japanese government must try to convince Burmese junta to accept international aid
- (2) Food export controls must be reduced

Mainichi:

- (1) Japan Post Bank must practice modesty in housing loan business
- (2) Political decision necessary to promote cluster bomb ban treaty

TOKYO 00001296 002 OF 010

Yomiuri:

- (1) Health insurance for elderly needs clarifying
- (2) Broad-based agreement essential in transferring naming rights

Nikkei:

- (1) Japan must demonstrate greater commitment as environment-oriented country
- (2) Citigroup under pressure to reduce assets

Sankei:

- (1) Lake Toya Summit: Are the figures pragmatic?
- (2) Childrearing consultation services must be improved

Tokyo Shimbun:

- (1) Microsoft gives up Yahoo takeover bid
- (2) Stricter requirements for owning shotguns needed

Akahata:

- (1) Deployment of nuclear-powered aircraft carrier: Calls for local referendum must be answered

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, May 12

NIKKEI (Page 2) (Full)
May 13, 2008

09:16

Met with Vice Health Minister Erikawa and Health Insurance Bureau Director-General Mizuta at Kantei.

10:08

Attended the 60th anniversary ceremony on the foundation of the maritime safety system held at Palace Hotel.

11:14

Met at Kantei with Deputy Chief Cabinet Secretary Iwaki, House of Councilors member Hirofumi Nakasone. Nakasone remained.

11:52

Met with Deputy Chief Cabinet Secretary Futahashi.

12:38

Met with Vice Foreign Minister Yabunaka, Deputy Foreign Minister Sasae, and Asian and Oceanian Affairs Bureau Director-General Saiki.

13:06

Attended a liaison meeting of the government and the ruling parties.

13:42

Met with former Prime Minister Nakasone at Sabo Kaikan Hall in Hirakawa-cho.

14:21

Met at Kantei with House of Representatives member Kenichi Mizuno of the "Forum to Support the Fukuda Proposal and Realize Moving the Revenues for Road Projects into the General Account" and others. Afterwards, met with State Minister in Charge of Consumer Administration Kishida.

TOKYO 00001296 003 OF 010

15:21

Met with Ambassador to Bosnia and Herzegovina Motai. Afterwards, met with Sumitomo Chemical President Hiromasa Yonekura, chair of the Council on the Promotion of Cooperation for TICAD/Japan-Africa Exchange Year.

16:14

Met with Special Advisors to Cabinet Nishimura and Kusaka, and Deputy Assistant Chief Cabinet Secretaries Saka and Ando.

17:01

Attended an executives' meeting in the Diet.

17:22

Met with former Prime Minister Mori at Sogo Nagata-cho Building.

18:15

Met with MOFA Economic Affairs Bureau Director General Otabe at Kantei. Afterwards, met with Cabinet Intelligence Director Mitani. Then met with Futahashi.

19:19

Arrived at Kantei residence.

4) G-8 labor ministers agree to make environmental protection and expansion of employment compatible: Ways to improve labor conditions for nonpermanent workers to be explored

NIKKEI (Page 5) (Full)
May 13, 2008

A labor ministerial of the Group of Eight (G-8) kicked off in Niigata City on May 13. The governments of the participating countries and international agencies agreed to cooperate to maintain a balance between efforts to protect the environment, including measures to reduce greenhouse gases, and efforts to expand employment. The decision will be included in the chairman's summary to be formally adopted on the 13th and presented at the G-8 (Lake Toya Summit). Participants also agreed that an increase in the working poor -- those who work diligently but cannot earn sufficient income -- has become a serious social problem. Each country will consider measures in the future.

Many believe that measures to combat greenhouse gases, which impose such burdens as more capital investment from companies, was a factor in worsening the employment situation. However, if new businesses like energy-saving housing, solar energy, or wind-power generation grow, jobs would be created. Participants agreed to have such a concept take root as green jobs. The chairman's summary will stipulate ensuring this policy's consistency with labor and the global environment by taking relations between the two elements into consideration.

Some say that 24-hour retail sales, which impose a night shift labor load on employees and emit an enormous amount of carbon dioxide

(CO2), go against the "green job" concept. Chances are that if moves to take concrete measures spread, some form of regulation could be introduced in Japan as well.

In Japan, one employee in three is a low-wage non-permanent employee, such as a part-timer or a temporary employee. This

TOKYO 00001296 004 OF 010

employment pattern is said to be connected to the working-poor issue. One reason for the increase in non-permanent employees is that facing international competition as a result of economic globalization, companies have lowered personnel expenses.

As such, the chairman's summary mentioned that assistance should be provided to nonpermanent workers, who are socially vulnerable. This will likely boost the move in Japan to strengthen regulations on the dispatch of temp staff.

However, American and British participants insisted that a flexible labor market is contributing to expanding employment, underscoring a difference in the stance of Germany and France, which are calling for strengthened regulations. Which stance Japan will take will likely come into focus in future discussions on the amendment of the Worker Dispatch Law.

5) Labor minister expresses concern about employment due to subprime mortgage crisis, sharp rise in crude oil

YOMIURI (Page 2) (Full)
May 13, 2008

A plenary session of the meeting of labor ministers from the Group of Eight nations started yesterday in Niigata City. Participants discussed mainly measures to narrow economic disparities stemming from globalization. Health, Labor and Welfare Minister Yoichi Masuzoe expressed concern about the impact of the subprime mortgage fiasco and the sharp rise in crude oil prices on employment. He underscored that all countries need to work together since their labor markets are facing risks.

Representatives of the participating countries shared the perception that economic globalization brings about certain benefits, but that it is accelerating disparities among regions and workers. The meeting also focused on the fact that the working poor, those who work but still cannot earn their living, has become a social problem in various countries.

6) Japan will evaluate DPRK's nuclear documents based on their contents

YOMIURI (Page 4) (Full)
May 13, 2008

North Korea on May 8 presented documents related to its plutonium program to a senior U.S. government official who was visiting Pyongyang. Referring to the documents yesterday, the Japanese government indicated that it would evaluate them based on their contents. Japanese officials, in cooperation with the United States, intend to analyze the documents in the weeks ahead to see whether they will lead to a complete and accurate DPRK declaration of its nuclear programs. North Korea previously stated it would submit such a declaration by the end of last year in line with the six-party agreement.

Vice Foreign Minister Mitoji Yabunaka told a news conference yesterday: "A sizable number of documents have been submitted. The U.S. will look closely at them. Japan, while working together closely with the U.S., will carefully examine the material to see whether they will serve as a basis for a complete declaration."

TOKYO 00001296 005 OF 010

7) Government to shelve mid-term target for greenhouse gas emissions cut, to set long-term one, aiming to take initiative

The government decided yesterday to put on hold its plan of setting a mid-term target for reducing the nation's greenhouse gas emissions from 2020 through 2030. Instead, in the Fukuda vision to be announced in early June prior to the Group of Eight (G-8) Summit (the Lake Toya Summit) in July, the government will place emphasis on a long-term target covering the period until 2050 in a bid to demonstrate leadership by coming up with a large-scale cut. On a mid-term goal, it has judged it would be difficult to swiftly unify views because of the need to form a new international framework to fight global warming following the 2012 expiration of the Kyoto Protocol.

In the Davos Conference in January, Prime Minister Yasuo Fukuda proposed setting nation-specific targets. Behind the government's eagerness to hurriedly come up with a target for cutting domestic emissions is its aim to set an example as the chair of the Lake Toya Summit and to take the initiative in forming a post-Kyoto mechanism. The long-term target is called the "Fukuda vision," so this will be the government's highest priority challenge that will affect even the prime minister's standing.

On a mid-term goal, Chief Cabinet Secretary Nobutaka Machimura said in a press conference yesterday: "Setting a goal within this year is premature and is impossible." He indicated that the government would conduct discussion, based on progress in negotiations to be held by the 15th session of the Conference of the Parties (COP15) to the United Nations Framework Convention on Climate Change.

The focus of discussion at the COP15 will be a post-Kyoto framework. This will be closely connected with a mid-term target for slashing greenhouse gas emissions from 2020 to 2030. Even if the Japanese government plays up its political presence over a mid-term target at the Lake Toya Summit, "It may be impossible to involve China and India in it, something the prime minister views as important," according to a senior official of the Cabinet Office. Additionally, setting a mid-term target might incur negative reactions from domestic industries.

Under such circumstances, the idea of setting a 60 PERCENT to 80 PERCENT cut in domestic emissions as a long-term goal has emerged in the government. In the Heiligendamm Summit in Germany last year, an agreement was reached to look into the idea of halving global greenhouse gas emissions by 2050, an initiative proposed by former Prime Minister Shinzo Abe. To achieve this goal, industrialized countries will have to reduce their respective emissions by more than 50 PERCENT. But if the Japanese government comes up with the long-term goal of reducing its emissions by 60 PERCENT to 80 PERCENT, Japan will be favorably compared with the European Union (EU), which is eagerly tackling the issue.

To make the idea convincing, Japan has to show the means to reach the goal. In a subcommittee meeting yesterday of the Council on the Global Warming Issue under the prime minister, an emissions-trading system, one of the key means to that end, was focused on. From among expert members from steel and power companies, views calling for prudence were presented in succession. One member said: "The council

TOKYO 00001296 006 OF 010

should not reach a conclusion on the introduction of the system."

The decision to postpone a mid-term goal and the deadlock in negotiations on the emissions-trading system result from the Fukuda cabinet's weakening grip on power. Aides to Fukuda spurred officials in charge of the global warming issue in the government agencies concerned to step up efforts to tackle the issue, but a senior official grumbled: "The prime minister himself will make a final judgment; otherwise nothing will be decided."

8) Fukuda instructs consumer affairs minister to launch ministerial negotiations on establishing consumer agency

May 13, 2008

Prime Minister Yasuo Fukuda called in Minister in Charge of Consumer Affairs Fumio Kishida to his official residence yesterday and instructed him to launch ministerial-level negotiations on establishing a consumer agency to integrate administrative functions. The government agencies involved have expressed opposition to the shift of authority to a new agency. Attention is being focused on whether the current impasse will be broken by the prime minister's instruction.

Kishida proposed holding ministerial-level negotiations. In response, Fukuda encouraged him, saying: "I want you to proceed with the idea. If some cabinet ministers present views different from ours, you can tell them that I will meet them."

The Council for Promoting Consumer Policy, chaired by Gakushuin University Professor Tsuyoshi Sasaki, has decided to produce within this month a report on how the consumer agency should be, based on the prime minister's policy. But the Ministry of Economy, Trade and Industry, the Ministry of Health, Labor and Welfare, the Ministry of Land, Infrastructure and Transport, and other government agencies in charge of consumer administration are all cautious about the idea, focusing on the fact that the shift of the laws under their jurisdiction to the consumer agency will lead to reducing their authority. The said council sought their views, but their replies were almost a unanimous no.

9) Road tax bill to be readopted today by Lower House

ASAHI (Page 1) (Full)
May 13, 2008

In the wake of the House of Councillors' rejection yesterday of a bill amending the Road Construction Revenues Special Exemption Law -- legislation aimed at enabling the government to continue allocating gasoline tax revenues for road construction and other road-related projects starting in fiscal 2008 -- the ruling parties will take a two-thirds overriding vote on the bill today in a House of Representatives plenary session to enact it based on Article 59 of the Constitution. Prior to this, the government will endorse in a cabinet meeting today a policy of ending from fiscal 2009 a provision that certain tax revenues be earmarked for road projects.

In yesterday's vote in the Upper House, the legislation was voted down by 126 votes, with 108 votes supporting it. The bill was then sent back to the Lower House. The ruling coalition adopted yesterday a motion calling for taking a revote and presented it to Lower House

TOKYO 00001296 007 OF 010

Speaker Yohei Kono. With the enactment of the bill, the system of continuing provisional tax rates and of earmarking tax revenues for road construction and maintenance for another 10 years will be reset.

Democratic Party of Japan (DPJ) Deputy President Naoto Kan said in a speech yesterday: "The road issue has revealed the distorted situation in the central government. We will continue thorough debate in the Diet on such issues as the new medical system for the elderly."

Prime Minister Yasuo Fukuda told the press last night at the Prime Minister's Official Residence (Kantei): "Even if a revote is held on the bill, it will be valid for only this fiscal year. I have decided not to use the current law from next fiscal year."

10) Resuming road revenue talks between ruling and opposition blocs seems difficult

YOMIURI (Page 1) (Excerpts)
May 13, 2008

The opposition-controlled House of Councillors yesterday rejected a bill requiring gasoline tax revenues to be exclusively used for highway construction and other road-related projects for another 10 years with a majority vote by the Democratic Party of Japan,

Japanese Communist Party, and Social Democratic Party. As a result, the legislation was sent back to the House of Representatives. In the poll, 108 voted for the legislation while 126 against it. The government and ruling parties plan to adopt at a cabinet meeting this morning a policy to integrate road-related tax revenues into the general account starting in fiscal 2009 and then override the Upper House's decision with a two-thirds majority in the Lower House in the afternoon. The DPJ is expected to attend the session to vote against it.

After the legislation cleared the Diet, the ruling camp intends to ask the opposition parties to resume talks on road-related revenues, but such seems difficult.

(08051303st) Back to Top

11) PM Fukuda to junior lawmakers: "If we cannot free up road-related tax revenues for general expenditures, there is no future for our party"

NIKKEI (Page 2) (Full)
May 13, 2008

Prime Minister Yasuo Fukuda, meeting yesterday with young ruling coalition lawmakers, including House of Representatives member Kenichi Mizuno, at the Prime Minister's Official Residence (Kantei), expressed his strong determination to shift tax revenues earmarked for road construction and maintenance to the general account starting in fiscal 2009, saying: "If this cannot be implemented, there will be no tomorrow for the Liberal Democratic Party and New Komeito. So, we will do this at any cost."

Some junior lawmakers in the ruling camp had initially indicated their opposition to a revote on a bill amending the Road

TOKYO 00001296 008 OF 010

Construction Revenues Special Exemption Law aimed at maintaining road-related taxes for another 10 years on the grounds that it would contradict Fukuda's policy of freeing up gasoline and other road-related tax revenues for general expenditures. Since Fukuda has revealed his intention to have his cabinet endorse the policy, most of them have now shifted their position to supporting an override vote. A senior ruling coalition member commented that there would be "no or few rebels." Fukuda told the press corps yesterday: "There is no problem in the party."

12) DPJ begins drafting campaign pledges for next Lower House election

NIKKEI (Page 2) (Slightly abridged)
May 13, 2008

The main opposition Democratic Party of Japan (DPJ) assembled officials in charge of policymaking from its prefectural chapters in a Tokyo hotel yesterday and began debate on drafting of a set of campaign pledges for the next House of Representatives election. Many representatives from the prefectural chapters called for improving the party's policy of giving income compensation to individual farmers. Some said that in order to win the next Lower House election, which would give the DPJ a chance to take power, policy measures for urban areas and support for fiscal resources would be needed. So, placing importance on policy for rural areas will inevitably be a source of contention.

DPJ President Ichiro Ozawa in a meeting after the debate indicated again his intention to hurry up preparations for the election, saying in a strong tone:

"Even if the Lower House is not dissolved during the current Diet session, there will be no choice but to conduct a general election before the end of the year -- in the fall or later. I want you to form a government-led by the DPJ."

The DPJ will set reform of the pension system, including measures to

deal with the pension-record mess, measures to compensate farmers, and measures for child allowances as its main campaign pledges as it did so in the last Upper House election. In yesterday's meeting, referring to the Upper House's measures for supporting agriculture, one participant said: "I want the party to strengthen measures for the fisheries industry, as well." Many representatives of the prefectural chapters said that measures to increase doctors should be a priority issue.

However, since the percentage of Lower House members coming from electoral districts in urban areas is higher than that of Upper House members, Secretary General Yukio Hatoyama expressed concern, saying: "Policies focusing on urban areas are important."

13) Opposition bloc paying close attention to government's response to bill aimed at scrapping the medical service system for elderly; Censure motion against prime minister may be submitted

YOMIURI (Page 4) (Full)
May 13, 2008

The major opposition Democratic Party of Japan's (DPJ) Deputy President Kan yesterday delivered a speech at a study meeting in Tokyo for the party's local assembly members. In the speech, Kan

TOKYO 00001296 009 OF 010

referred to the question of a censure motion against Prime Minister Fukuda and indicated a plan to make a decision on whether to submit such a motion after watching a response by the government and the ruling bloc to a bill aimed at scrapping the medical service system for the elderly, which the DPJ, along with other opposition parties, is going to introduce in the Upper House. Kan noted: "After the bill clears the Upper House, we will watch whether the ruling bloc will vote down or kill the bill in the Lower House and then take issue with the role of the Fukuda cabinet and the ruling bloc."

After the session, DPJ Policy Research Council Chairman Naoshima attended a meeting of policy-planning officers from the party's prefectural chapters and indicated a plan to hurriedly map out a manifesto for the next Lower House election and sought cooperation from each prefectural chapter.

14) Where's the LDP's control tower?

SANKEI (Page 5) (Full)
May 13, 2008

The approval rating for Prime Minister Yasuo Fukuda's cabinet has fallen below 20 PERCENT in some public opinion surveys. Chinese President Hu Jintao's recent visit to Japan did not help Fukuda score points from the perspective of the domestic political situation. Instead, Fukuda's predecessor, Shinzo Abe, made his presence felt as he touched on the Tibet issue in Hu's breakfast meeting with former prime ministers.

The fall of the Fukuda cabinet's support rate was reportedly attributed to the restoration of gasoline surcharges and the introduction of a new health insurance premium deduction system for the elderly. In short, however, that is because the Diet is divided, with the ruling bloc dominating its lower chamber and the opposition bench controlling its upper house. This has caused national politics to malfunction. This explains everything.

The Constitution sets the House of Representatives above the House of Councillors. The ruling Liberal Democratic Party's leadership was therefore strong enough to force things through the Diet. The House of Representatives is constitutionally allowed to take a second vote on legislative measures for their passage with a concurring vote of two-thirds or more of its members present if the House of Councillors does not vote on them within 60 days after they are sent from the House of Representatives. If the LDP and its coalition partner, New Komeito, had passed budget-related bills, including the gasoline surcharge bill, by the end of January, all the bills could have cleared the Diet before the end of the fiscal year in March.

In that case, the leading opposition Democratic Party of Japan

(Minshuto) would have put up do-or-die resistance by boycotting all parliamentary deliberations. However, such a boycott strategy would not have been well-received by the public. The Diet might have been back to normal in a half month.

On Apr. 27, there was a by-election in Yamaguchi Prefecture's District 2 for a seat in the House of Representatives. In that election, the LDP candidate was swamped by the DPJ candidate. This was also because of an error in the LDP's leadership. The election was held with Yoshihiko Fukuda running for Iwakuni City's mayoral election in February. Fukuda is the successor to Shinji Sato and one of the 83 "Koizumi children" who ran in the 2005 general election

TOKYO 00001296 010 OF 010

for the House of Representatives on the privatization of state-run postal services.

The DPJ's Hideo Hiraoka, who won the by-election this time, defeated Sato in the 2000 House of Representatives election and won the following election. The LDP must have known that Hiraoka was a tough rival.

The question is whether half of the "Koizumi children" will survive the next election for the House of Representatives. In the 2005 general election over postal privatization, Fukuda defeated Hiraoka by a narrow margin of 588 votes. At the time, Hiraoka was elected in his proportional representation bloc. Fukuda's defeat in the next election was taken for granted.

Fukuda figured it out, and he ran in the Iwakuni mayoral race. If the LDP's leadership had offered a higher standing for Fukuda on its proportional representation list in the next House of Representatives election, the LDP would not have had to go through the by-election.

This is the first time for Japan to experience a divided Diet in the postwar era. As it stands, the LDP must be scrupulous and dynamic enough to break down its old paradigms, or it cannot respond. The grand coalition initiative was part of it. However, it fell through.

The LDP also has no effective control tower or staff office to script a scenario for the political situation as a whole. The governing party's crisis goes beyond the outcome of a by-election.

15) DPJ Secretary General Hatoyama looks forward to joining hands with Hiranuma

YOMIURI (Page 4) (Full)
May 13, 2008

The major opposition Democratic Party of Japan's (DPJ) Secretary General Hatoyama yesterday spoke of former Minister of Economy, Trade and Industry Takeo Hiranuma's remarks, in which he said he may organize a new party before the next Lower House election. Hatoyama expressed hope of teaming up with Hiranuma, telling reporters, "I hope to see both of us work together with the aim of bringing about a dramatic change to Japanese politics."

DONOVAN